**Robber Barons and Post-Industrial Revolution Abuses Lesson Plan**

Review Industrial Revolution based off of the Web Quest

**Notes on Capitalism**

* **Capitalism: An economic system in which the means of production and distribution privately or corporately owned and development is proportionate to the accumulation and reinvestment of profits gained in a free market.**
* **Capital: wealth in the form of money or property**
* **Market Economy: an economic system where supply and demand determine what is offered in the marketplace**
* **Capitalism Chart:**

Government

Workers

Consumers

Business

* **Laissez Faire (Free Market Economy): the government does not interfere with business at all**

Have the students brainstorm about the pros and cons of having a laissez faire market looking at it from the perspective of the owners, the investors, the workers, and the consumers. Report them on the board.

**Notes on Robber Barons**

* **Robber Baron: a term commonly used to describe the industrial and financial powerhouses of the later part of the 19th century.**
* **Men like Andrew Carnegie, who controlled the steel industry, and John Rockefeller, who controlled the oil industry, created monopolies.**
* **Monopoly: when a person or business has complete or a serious majority of control over a product or service, and can determine completely the terms or price someone will pay to get the product or service.**
* **Mention Rockefeller Center, Carnegie Hall, and Carnegie Mellon University. “The man who dies thus rich, dies disgraced” Andrew Carnegie.**

Have the students brainstorm in groups about what the other issues were at this time, and what they believe that people did about this. (Labor Unions: child labor/labor hour and conditions, Muckrakers: food/ “The Jungle”, Women’s Suffrage: 19th Amendment, Prohibition: 18th Amendment/Organized Crime)

Review on the board all of the problems they have listed then explain to them their group project on researching one of the four main progressive groups.

Pros and Cons of a Market Economy

* Pros
* Innovation (research and design)- businesses are always looking for new products and services consumers will wants
* Quality- when consumers have choice, quality of goods/services may rise as one way to attract more buyers
* Quantity- if consumers want something, more will be offered (supply and demand)
* Affordability- companies compete to bring in consumers, sometimes through price
* Specialization- people become experts in areas where they can make a living
* Profits and Job Creation- business gives individuals the opportunity to become wealthier through wages and profits
* Cons
* Job loss- innovation can result in changes that wipe out jobs as well as create them; failed businesses have to lay off workers
* Negative impact on quality and quantity- the profit margin may encourage businesses to cut corners on worker and consumer safety (Vioxx)
* Affordability- businesses may manipulate the market to keep their prices and profits high (OPEC and oil companies???)
* Competition creates losers as well as winners, poor as well as rich